Private Partnerships (PPPs); development of capacity of world class performance standards suitable governance reforms related to competition in service provision, collection of user charges, institutional capacity, regulation and dispute resolution etc.

Gross Misuse of special Economic Zones

3003. DR. (SHRIMATI) NAJMA A. HEPTULLA:
SHRI MAHENDRA MOHAN:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that gross misuse of export enclaves' called Special Economic Zones has been discovered as some of the big corporate used the facility for evading taxes;

(b) whether this is also a fact that the evasion exceeded Rupees 10,000 crores;

(c) whether Comptroller and Auditor General has found some weakness in the system;

(d) if so, the details thereof; and

(e) the action, Government has taken since then?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) to (e) The information is being collected and will be laid on the Table of the House.

Investment by Gulf Finance House

3004. SHRIMATI SUPRIYA SULE : Will the Minister of FINANCE be pleased to state:

(a) whether Gulf Finance House, an Islamic Bank has decided to invest $10 billion in Maharashtra under a revised development plan, instead of the earlier $2 billion investment on the development of an energy city;

(b) whether the bank now want to also set up a telecom city, software city and entertainment city along the Mumbai-Pune expressway and national highway;

(c) whether the Maharashtra Government has accepted the proposal;

(d) whether the project called Mumbai Economic Development Zone (MEDZ) is expected to create over three lakh jobs;

(e) whether Government has accepted the proposal; and

(f) by when it is likely to be finalized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (f) The information is being collected and will be laid on the Table of the House.

Amendments to recommendations of Vaidyanathan Committee

†3005. SHRI MANOHAR JOSHI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Government of Maharashtra has moved some amendments in the recommendations of Prof. Vaidyanathan Committee;

† Original notice of the question was received in Hindi.

(b) if so, the details thereof; and

(c) the steps Government proposes to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) Government of India, based on the recommendations of the Vaidyanathan Committee Report, is implementing the revival package for strengthening the Short Term Cooperative Credit Structures (STCCS). The STCCS package is in its final stage of implementation after the Government of Maharashtra signed a Memorandum of Understanding (MoU) with the Government of India and National Bank for Agriculture and Rural Development (NABARD). However, the Government of Maharashtra, while responding to the draft revival package of Long Term Cooperative Credit Structures (LTCCS), had suggested certain deviations as detailed below:

1. The period for raising the Ratio of Capital to Risk Weighted Assets from 7% to 9% be fixed at five years instead of three years.
2. The criteria that 'the Agriculture and Rural Development Banks (ARDBs) should have average yearly transaction size of at least 10% of Balance Sheet size in three years ending 31 March, 2007' be dropped.
3. The eligibility criteria for direct capitalization of ARDBs should be spelt out only after the issue of loan waiver is settled.
4. The provision that 'the ARDBs for which liquidation orders have been issued by the State Government before signing the MoU should not be covered under the Package' be dropped.

LTCCS Package has now been finalised. The Government of India and the State Governments concerned have reached an agreement on the content of the package to implement the Vaidyanathan Committee's report on reviving the LTCCS.

Pensions benefits for public sector bank employees

3006. SHRI D. RAJA:
SHRI SYED AZEEZ PASHA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government has held any fresh talks with the Public Sector Banks Unions regarding their demand for pensions benefits *in lieu* of provident fund for all employees and other demands in order to avert their proposed indefinite strike; and

(b) if so, the details and the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) An understanding was reached between Indian Banks' Association (IBA) and representative of United Forum of Banks Unions (UFBU) on the 25th February, 2008 to set a definite time frame for holding discussions on the demand for pensionary benefits in lieu of Provident Fund and other demands of UFBU. In furtherance to this, talks are being held by IBA with the representatives of UFBU from time to time on the demands to reach at an amicable solution.